

Risk Management for Law Firms Detailed by Hinderks in *Law360* Column

In the News

01.04.2023

[Mark Hinderks](#), chair of Stinson LLP's Legal Ethics & Professional Responsibility practice group, authored a *Law360* column, "6 Ways to Avoid Compounding Errors When Practicing Law." The column details a variety of issues to avoid and discusses best practices for risk management when claims against attorneys and law firms materialize.

"Claims against law firms, and the management and defense of those claims, have become big business," Hinderks writes. "For lawyers and law firms, mistakes of consequence can lead to potential or actual claims of malpractice or ethical violation. When, not if, mistakes happen, the key is not to compound a real or claimed error by adding to it a failure of communication, conflict of interest, loss of insurance coverage or ethical lapse."

Hinderks details ways attorneys and law firms can circumvent these situations:

- Comply with the duty to make timely disclosure of material errors to clients.
- Determine whether there is a material limitation conflict before continuing representation of the affected client.
- Be familiar with your malpractice policy and act to preserve coverage.
- Act as you would advise a client to act.
- Comply with Rule 1.8(h)(2) when making any settlement.
- Enact structures and policies to avoid or manage the next mistake before it causes harm.

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He continues, saying, "Firms of all sizes should undertake structures and policies consistent with their level of risk to maximize their ability to recognize and avoid the consequences of inevitable human error. Then, despite these efforts, if a claim does arise, the firm must be ready to take steps to mitigate and manage the harm and exposure."

Hinderks leads the firm's Legal Ethics & Professional Responsibility practice. He is the author of Dear Ethics Lawyer, a twice-monthly newsletter with questions and answers concerning legal ethics, and a co-founder and presenter of "Ethics for Good," a twice-annual stage show which uses humor, skits and real-world scenarios to teach legal ethics to lawyers. Hinderks has presented more than 125 programs on legal ethics over the past 30 years, has authored many articles and handbook chapters on legal ethics, and has been deeply involved in professional organizations with legal ethics and professional responsibility as their focus.

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